

Submitting Changes to Interest Rebate Amounts or Percentages for
Direct Subsidized Loan and Direct Unsubsidized Loan Awards
Attachment to April 2012 Electronic Announcement

The table below reflects the origination fee and up-front interest rebate percentages based on the earliest disbursement date for Direct Subsidized Loan and Direct Unsubsidized Loan awards beginning with July 1, 2009. **Note:** The origination fee percentages are not changing.

Origination Fee and Interest Rebate Percentages for Direct Subsidized Loans and Direct Unsubsidized Loans	If the award's earliest disbursement date is...	...the origination fee is...	...and the up-front interest rebate is...
	On or after July 1, 2009 and before July 1, 2010	1.5%	1.0%
	On or after July 1, 2010 and before July 1, 2012	1.0%	0.5%
	On or after July 1, 2012	1.0%	0%

If a school needs to change the interest rebate percentage or amount for an award, it should complete the following actions:

For Direct Subsidized Loan and Direct Unsubsidized Loan awards *with only anticipated disbursements*.

Option 1

Step 1: Reduce the award amount and anticipated disbursements to \$0 to inactivate the original award.

Wait for an accepted acknowledgement.

Step 2: **Submit a new award** that includes all of the following information:

- The interest rebate amount and an interest rebate percentage that corresponds to the interest rebate percentage period;
- An earliest disbursement date that corresponds to the interest rebate percentage period; and
- The award amount and appropriate disbursement amount(s).

Option 2

Step 1: Reduce the award amount and anticipated disbursements to \$0 to inactivate the original award.

Wait for an accepted acknowledgement.

Step 2: **Reactivate the original award** by submitting all of the following information:

- A change to the interest rebate amount and the interest rebate percentage that corresponds to the interest rebate percentage period;
- A change to the earliest disbursement date that corresponds to the interest rebate percentage period; and
- An updated award amount and the appropriate disbursement amount(s).

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For Direct Subsidized Loan and Direct Unsubsidized Loan awards ***with at least one actual disbursement.***

Option 1

Step 1: Reduce the disbursement amount(s) to \$0 to inactivate the disbursement(s).

Wait for an accepted acknowledgement.

Step 2: Reduce the award amount to \$0 to inactivate the original award.

Wait for an accepted acknowledgement.

Step 3: ***Submit a new award*** that includes all of the following information:

- The interest rebate amount and an interest rebate percentage that corresponds to the interest rebate percentage period;
- An earliest disbursement date that corresponds to the interest rebate percentage period; and
- The award amount and appropriate disbursement amount(s).

Option 2

Step 1: Reduce the disbursement amount(s) to \$0 to inactivate the disbursement(s).

Wait for an accepted acknowledgement.

Step 2: Reduce the award amount to \$0 to inactivate the original award.

Wait for an accepted acknowledgement.

Step 3: ***Reactivate the original award*** by submitting a change to the interest rebate percentage and a change to the earliest disbursement date that corresponds to the interest rebate percentage period.

Wait for an accepted acknowledgement.

Step 4: Submit an updated award amount and the appropriate disbursement amount(s).